

OIL & GAS DIVISION

ASX Code: LNC
OTCQX Code: LNCGY

23 April 2013

UMIAT OIL FIELD FLOWING OIL – DRILLING UPDATE NO.3

- **Oil to surface**
- **Currently flow testing**

Linc Energy (ASX: LNC) (OTCQX: LNCGY) is pleased to announce that it has flowed oil to surface at the Company's Umiat oil field and is now in the process of flow testing the Umiat #18 well. Further information will be provided to the market as and when it is available over the next 7 to 14 days.

Umiat is located on the Alaskan North Slope, approximately 100 miles west of the Trans-Alaskan pipeline pump station 2.

It has been estimated by Ryder Scott to contain over 1.2 billion barrels of oil in place, with Proved & Probable ("2P") reserves of 154.5 million barrels of oil equivalent ("MMboe"), with a 2P NPV10% of US\$1.496 billion, and Proved, Probable & Possible ("3P") reserves of 194 MMboe, with a 3P NPV10% of US\$1.828 billion*. Linc Energy anticipates peak production during full field development to be approximately fifty thousand (50,000) barrels per day.

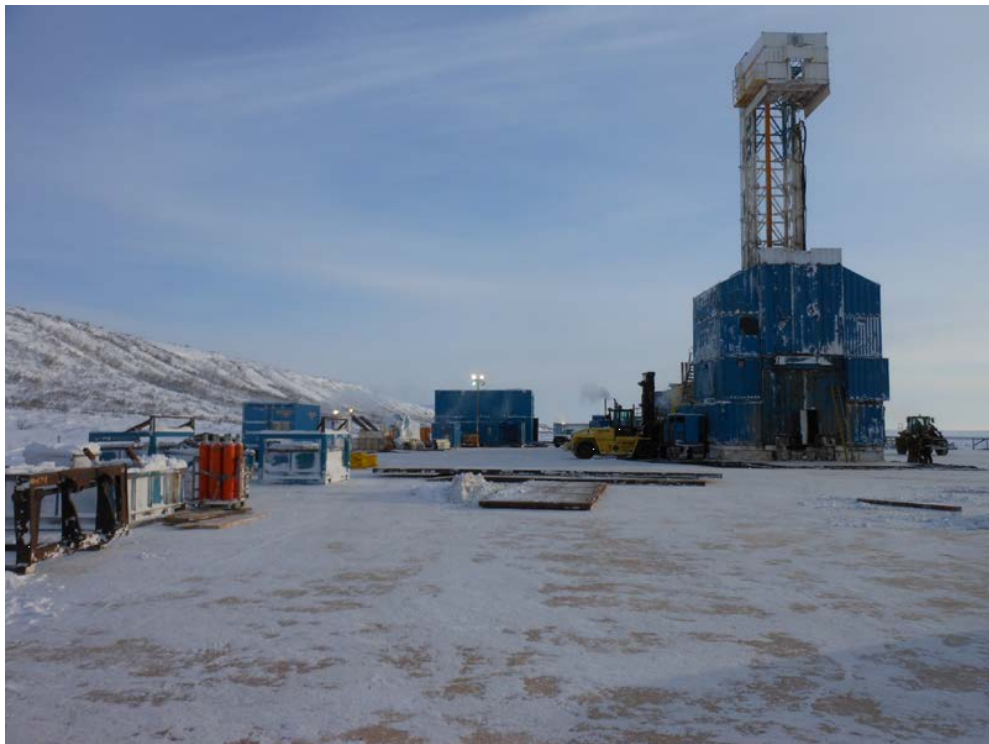
A total of 12 "legacy wells" have been drilled within the field between 1944 and 1979. Historical well testing at Umiat has determined that the oil is light, sweet crude with a 37 API gravity and a pour point of less than -5 degrees Fahrenheit. Early testing of vertical wells achieved flow rates up to 400 barrels of oil per day.

Mr Peter Bond, Chief Executive Officer of Linc Energy said, "I am delighted with this development, to be flowing oil at Umiat is a major milestone for Linc Energy. I look forward to announcing the results of the flow tests in the next two weeks."

*The oil resource estimates in this announcement were compiled by Scott J. Wilson of Ryder Scott Company LP who is qualified in accordance with ASX listing rule 5.11 and who has consented to the form and content in which this statement appears.



Activity at Umiat



Rig Up at Umiat Well #18

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Umiat #18 Wellhead

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Company Profile

Linc Energy is focused on both conventional and unconventional oil and gas production. The Company owns a diverse and world-class commodity portfolio that includes oil, gas, shale and coal.

Conventional oil and gas is focused onshore USA (Alaska, Texas, Louisiana and Wyoming) with current production expected to grow significantly from the Company's existing reserves.

Unconventional oil and gas is focused on our world leading capability in Underground Coal Gasification, the process of converting coal into a valuable synthetic gas in situ. Linc Energy has constructed and commissioned the world's only UCG to GTL demonstration facility. The Company also owns and operates the world's only commercial UCG operation in Uzbekistan, which supplies syngas to a nearby power station.

Linc Energy is listed on the ASX (Australia) and the OTCQX (USA).

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